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.100 INTRODUCTION

CSBs are managed by an Executive Director who is responsible for administration and clinical service delivery.

Reimbursement is part of the administrative function of a CSB. Each CSB should have a Reimbursement Officer whose main responsibility is to maximize the CSB's client and third party reimbursement, and see that the Code of Virginia is followed as it relates to CSB reimbursement.

In order that revenues may be maximized, the Reimbursement Officer should have responsibility over CSB employees who perform functions related to reimbursement. Such employees may perform financial interviews, collections, client and third party billing, and ability to pay determinations. The reimbursement systems that are generally most efficient and effective tend to be centralized in their organizational structure.

.200 RESPONSIBILITY AND AUTHORITY FOR REIMBURSEMENT

.210 Code of Virginia, § 37.1-197(7). Community services boards; local government department; powers and duties.

“Every operating community services board or local government department with a policy-advisory board shall:

7. Prescribe a reasonable schedule of fees for services provided by personnel or facilities under the jurisdiction or supervision of the board and establish procedures for the collection of the same. All fees collected shall be included in the performance contract submitted to the local governing body or bodies pursuant to § 37.1-197(2) and § 37.1-198 and shall be used only for community mental health, mental retardation and substance abuse purposes. Every operating board and local government department with a policy-advisory board shall institute a reimbursement system to maximize the collection of fees from persons receiving services under their jurisdiction or supervision consistent with the provisions of § 37.1-202.1 and from responsible third party payors. Operating boards and local government departments with policy-advisory boards shall not attempt to bill or collect fees for time spent participating in involuntary commitment hearings pursuant to § 37.1-67.3.”

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.220 § 37.1-202.1 Liability for expenses of services.

“The income and estate of a consumer shall be liable for the expenses of services under the jurisdiction or supervision of any operating community services board, administrative policy board, or local government department with a policy-advisory board that are utilized by the consumer. Any person or persons responsible for holding, managing or controlling the income and estate of the consumer shall apply such income and estate toward the expenses of the services utilized by the consumer.

Any person or persons responsible for the support of a consumer pursuant to § 20-61 or a common law duty to support shall be liable for the expenses of services under the jurisdiction or supervision of any operating community services board, administrative policy board, or local government department with a policy-advisory board that are utilized by the consumer unless the consumer, regardless of age, qualifies for and is receiving aid under a federal or state program of assistance to the blind or disabled. Any such person or persons responsible for support of a consumer pursuant to § 20-61 or a common law duty to support shall no longer be financially liable, however, when a cumulative total of 1,826 days of (i) care and treatment or training for consumer in a state mental health facility or training center; or (ii) the utilization by the consumer of services under the jurisdiction or supervision of any operating community services board, administrative policy board or local government department with a policy-advisory board; (iii) a combination of (i) and (ii) has passed, and payment for or a written agreement to pay the assessment for 1,826 days of care and services has been made. Not less than three hours of service per day shall be required to include one day in the cumulative total of 1,826 days of utilization of services under the jurisdiction or supervision of any operating community services board, administrative policy board, or local government department with a policy-advisory board. In order to claim this exemption, the person or persons legally liable for the consumer shall produce evidence sufficient to prove eligibility therefor.”

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.300 REIMBURSEMENT POLICY

.310 DMHMRSAS Board Policy #86-14

Renewed 3/23/88
Updated 2/28/90
Updated 4/28/93

POLICY MANUAL

State Mental Health, Mental Retardation and Substance Abuse Services Board Department of Mental Health, Mental Retardation and Substance Abuse Services

POLICY 6002(FIN)86-14 Services Availability and Ability of Client to Pay Philosophy

Authority Board Minutes Dated October 22, 1986
Effective Date November 19, 1986
Approved by Board Chairman s/James C. Windsor

References Section 37.1-197, Subsection 7, and 37.1-202.1, Code of Virginia (1950) as amended.

Background Community services boards (CSBs) are agencies of local government, established to provide service to the mentally ill, mentally retarded, and substance dependent residents of their localities. The referenced statutes establish and define liability for the cost of services and require boards to institute reimbursement systems to maximize the collection of fees for services. It is apparent from the foregoing that community programs are not established to serve only indigent clients. However, as a public provider of services, community services boards give special consideration to individuals who do not have the ability to pay the full cost of these services. Service delivery programs are funded through multiple sources. A significant area of funding is fee collection. All recipients of services are charged and expected to pay for the services they receive to the extent of their individual financial ability. While emphasis on fee collection is appropriate, this emphasis must not result in restrictions of services to individuals who do not have the ability to pay.

Purpose To establish the State Board's position regarding the availability of services to individuals who are not able to pay the full cost of such services.

Policy It is the policy of the State Mental Health, Mental Retardation and Substance Abuse Services Board that all clients be afforded services based on their identified needs and within available resources. These services cannot be denied to individuals who do not have the ability to pay.

Each community service board must have reimbursement policies and procedures that specifically address ability to pay. The form of ability determination is at the discretion of each Board. No client will be denied services due solely to financial considerations; however, it is essential that CSBs differentiate between those clients who are actually unable to pay (even the fees based on ability to pay) and those clients who possess the necessary resources but choose delinquency rather than the payment of a reasonable charge for services rendered.

Ability to Pay processes involve first charging the client for the services provided and then reducing the original charge based on established policy at the CSB. Such a policy should base discounts of charges on household income and routine household expenses. It is important that all clients be treated in a consistent manner.

Delinquent accounts are those accounts which have been reviewed under a CSB's Ability to Pay policy and it has been determined that the client does have the financial resources to make payments, *but* the client chooses not to do so.

It is further the policy of the Board that the Department of Mental Health, Mental Retardation and Substance Abuse Services assist the community services boards with the development of ability-to-pay policies. The

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Department shall provide guidance, oversight and consultation to facilitate greater consistency across the CSB system in the development of criteria for determining ability to pay.

The Commissioner shall assign a staff coordinator who will develop a plan for implementation, monitoring and evaluation of this policy.

**.400 SAMPLE REIMBURSEMENT POLICIES AND PROCEDURES –
SEE APPENDIX-B**

**.500 SAMPLE REIMBURSEMENT OFFICER JOB DESCRIPTION –
SEE APPENDIX-C**

**.600 SAMPLE REIMBURSEMENT SPECIALIST JOB DESCRIPTION –
SEE APPENDIX-D**